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FOUR  
UNIQUE TALKS

TO THE  
ROCHESTER  
CHAMBER OF COMMERCE

ON THE OCCASION  
OF THE  
TWENTY-FIFTH ANNUAL DINNER  
DECEMBER 14, 1912

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THE GUESTS

SENOR DON IGNACIO CALDERON  
Minister of Bolivia

FEDERICO ALFONSO PEZET  
Minister of Peru

COLONEL H. P. BOPE  
1st Vice-President, Carnegie Steel Co.

GEORGE A. POST  
President, Railway Business Association

*The President Calls the Meeting to Order  
and  
Presents the Message of the German  
Ambassador*

THE PRESIDENT: Our guests and gentlemen of the Chamber of Commerce, at this our Twenty-fifth Annual Dinner, it is a matter of great pride to feel that Rochester has interests that are not only municipal and national, but international in their scope. The Rochester Chamber of Commerce has enjoyed its full share of happiness and progress for twenty-five years. It stands for civic pride, city betterment, commercial and industrial progress, good citizenship, and all those elevated influences that make life worth living. We have many friends and interests in all countries of the world. With this feeling of world-wide friendship, we had hoped to present to you this evening His Excellency, the Imperial German Ambassador, Count Johann Heinrich von Bernstorff. (Applause).

The death of the distinguished Prince Regent of Bavaria, prompted the Ambassador to send us this telegram which I will read:

"I am extremely sorry that owing to the sad news of the passing away of the Prince Regent of Bavaria, I will have to observe a period of mourning and will not be able to attend the dinner of the Chamber of Commerce, to which I had been looking forward with so much pleasure. Please express to the members of the Chamber my deepest regret and my best wishes for the success of the evening, as well as my hope that I may be allowed to come to Rochester another time." (Applause).

(The orchestra at this point played "Die Wacht Am Rhein," which the persons present sang).

THE PRESIDENT: The orchestra will now play the National Anthem of Bolivia. (Orchestra played this anthem).

THE PRESIDENT: As that greatest engineering feat the world has ever seen nears completion, our interests are drawn more closely to those southern countries in South America. The canal will bring us closer to these countries and we hope to know our neighbors better. I have the honor to present to you this evening, Senor Ignacio Calderon, Minister of Bolivia. (The audience stood and greeted the Minister with applause).

*Regrets*

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## *Address of Senor Don Ignacio Calderon*

Mr. Chairman, His Honor the Mayor of the City, members of the Chamber of Commerce of Rochester, it is for me a great pleasure and an honor to have the opportunity to find myself here through your kind invitation, and to take part in this celebration of the twenty-fifth year of the Rochester Chamber of Commerce. I think it would take a silver-tongued orator to speak properly of the activities of this institution, of the development and great importance of this live town. Unfortunately, my country, that used to be the third silver producing country in the world, has ceased to produce it since silver has ceased to be an international money. So we are producing simply tin, and of that we are getting almost one-third of the total output in the world. Therefore, I hope you will bear with me and be lenient if my words do not come up to your expectations, and be sure that my sympathies and my good-will are all for you and with you. (Applause).

A great many centuries ago, in fact when the world was yet young, a group of pretentious men undertook the construction of the first sky-scraper to climb to the Heavens, but as there were no Yankees there, the undertaking came to failure and the result was a babel of tongues and a scattering of men all over the world in different groups according to their language. But there remained a strong bond of unity. The Almighty has placed in the bosom of our hearts, deep, sublime sentiments of love, of kinship, and of brotherhood. (Applause). Christianity has revived these sentiments by the gospel of peace, justice and good-will amongst all men in the world. In fact, there is not any advancement in the world in civilization, such as the instantaneous communication by electricity, the quick transportation by steam—every great improvement, such as the telephone and wireless telegraph, that would be of any use if they did not tend to approach men to each other, to increase their relations, and bring them closer together, and cultivate sentiments of friendship among all the nations of the world.

The construction of the Panama Canal, one of the greatest works ever undertaken and carried through by man, has only for its object the bringing together the nations of the north and the south, the east and the west, and to make that highway the center where mankind

*The  
Tower of  
Babel*

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## *Senor Calderon's Remarks*

### *The Panama Canal*

will meet in friendly and commercial relations, developing those high hopes and a sentiment of universal peace. (Applause).

The United States has brought to that work a great sentiment of humanity and sympathy, by taking good care of the workmen employed in that undertaking. In the former attempt by the Frenchmen, their engineering work was all right, but they forgot to take measures to defend the lives of their workmen; and thousands of them died, which was one of the causes of their failure. The United States has spent millions of dollars in order to destroy that former pesthole and turn it into a sanitary place and a summer resort. No lives have been lost; the workmen have been saved; and they do not find their graves where they expected to work, as in former times. The sanitation of the Isthmus is one of the greatest achievements, second only to the digging of the canal itself. When that great undertaking is finished, we will find that the republics of this Continent, from north to south, are very near neighbors and their relations are bound to expand to an extent never thought of before.

### *South America*

South America is a great Continent. It is one of the greatest centers of the world. Its lofty mountains are the storehouses of many varieties of minerals and abundance of them; its great rivers drain all over the countries, and amongst them flows one of the largest rivers of the world, the Amazon, that can be navigated for thousands of miles by the largest of steamers. The tropical forests are rich in all kinds of woods, medicinal plants, rubber, coffee, cocoa, and a very great variety of tropical products, with every luxuriance that the tropics will produce. In the climate of the temperate zone we have vast plains where abundance of cattle roam and the agricultural fields produce also plentiful crops of wheat, corn, flaxseed and all kinds of cereals. There is also every kind of fruit of the tropical as well as the temperate zones. The only things we are wanting are capital and population, and those two elements are absolutely essential for advancement.

The United States have been fortunate in possessing this great country, open and free of all obstructions and near to Europe, from which a continuous stream of immigration comes and contributes to develop all your mines, and agriculture and industries. On the other hand, the English colonies from the earliest time have been trained in the practice of peaceful and orderly government and in self-government; while we, the Spanish colonies, under the despotic and arbitrary rule of Spain, had no



## *Senor Calderon's Remarks*

idea of order or law, and when we acquired our independence we were absolutely incapable of governing ourselves, and therefore, many years of bitter strife have taught us the lesson of self-government, and after that period that I could call the growing pains of our independence, we are now fully entered into the era of order and development.

The increase in the construction of railroads is one of the greatest signs of how the Southern countries are progressing. There are over 60,000 miles of railroads in the different countries, with a population perhaps of not more than 60,000,000 inhabitants. Our international trade amounts now to \$2,500,000 a year, and is increasing continually, for there is not one single country that has not doubled, at least its foreign trade in the last few years.

There is also among us a strong basis for our closer relations, a bond of union in our ideals and political institutions. We have abandoned the Old World's pre-occupations and notions, where a certain class of people and certain families are supposed to have received from the Almighty directly, the privilege of being the rulers of the people as Kings and Emperors. (Applause). We have taken more advanced platforms; we have established the principle of manhood and merit and give the sceptre of power where it belongs; to the people. The road is open for all men with intelligence, and with energy enough to elevate themselves to the first places. The so-called "Captains" of industry in this country, in the majority of cases, have come out from the laboring class. The former hod-carriers, the peanut vender, the street newsboys have attained the highest positions of honor and are entering the United States Senate, and they are not ashamed of their humble origin but proud of their achievements, and their country is also proud of these men. (Applause). The United States has put into the Presidency of the Republic, a rail-splitter, in the most difficult and momentous period of its history (Applause), and Abraham Lincoln, by his stern and unflinching devotion to duty, his sublime charity, his great devotion to the common people, has become one of the greatest characters in the history of the centuries. (Applause).

The development of our resources undoubtedly will open a great and vast field for the investment of capital, and for immigration. The enterprise of the United States will find plenty of opportunity to develop its trade,

*South  
American  
Ideals*

and when, by the incoming of immigrants, we will supply the deficiencies of population, we will come up to the expectations and fulfill the prophecies of your greatest statesman, Mr. Root, when, in one of his speeches in South America, he predicted that the Twentieth Century would be South America's century. (Applause).

Now it will not be amiss to say in this connection that in order to develop and make permanent our friendly and commercial relations, we have to start in under the broad and all-embracing principles of manly respect and consideration. The man that commences his business, thinking that all he has to do is to make profits and gain, without consideration for others, starts on the wrong track. Selfishness has never produced anything but strife and enmity, and envy, and divides the people one from another. Selfishness creates around itself a void. A manufacturer, who, for the sake of gain, houses his employes in unsanitary buildings, devoid of light and air, works them over time, pays them the least possible wages, may or may not make the gain he expects; but his responsibility for the lives and health of those men, the strife that he brings into the community, that spreads itself even among the population at large, are certainly things that no gain could compensate. On the other hand, the man that inspired by broad and brotherly sentiments for his fellow men, provides them with proper quarters, shows an interest in their own lives and makes them understand that their interest is linked with his and equal to his own, and creates an utmost feeling of good-will, makes those communities happy and progressive; because nothing can produce greater and better results than the application to business and personal relations, of that broad principle, "never to do to others what you would not like to have done unto yourself." (Applause). The corner grocery that sells you thirteen ounces per pound of sugar and mixes it with some inferior things at that, need not expect your patronage when there is somebody else with more honesty who will give you the right weight and the right article. The exporter who, in sending a bill of goods, sends his order ill-packed, not on time, and perhaps of a poorer quality than has been asked for, will probably not receive the patronage of those who expect to receive their goods in a proper way, in time, and of good quality.

Therefore, we must bear in mind that if the peace of the nations depends upon the respect for the territory and the rights of others, the peace of communities and

*Wise  
Suggestions  
on  
S. A. Trade*

## *Senor Calderon's Remarks*

their welfare in commercial relations, as well as in friendly relations, depend also upon the respect of one man for the rights and welfare of his neighbor. There is nothing that promotes more good feeling in all the progress of mankind than that sentiment that is the expression of love which God has put in our hearts—to be always kind and always just towards each other. (Applause). When the countries as nations follow those principles, and individuals as individuals practice the same principles, the world will advance a great step toward the consummation of that peace in the world that has been so much proclaimed and so much desired by all right-thinking men.

The United States stands today at the head of all nations as a promoter of peace and respect for sovereignty and rights of all nations whether strong or weak. (Applause). Let all the nations of the Continent follow the same ideals; let this country and the rest of the Republics of America be the center where men will find that happiness for which you have fought in your War of Independence, and which has been proclaimed by the founders of this Republic. Let each of us bear in our hearts that sentiment of justice, of love, of sympathy for our fellowmen, and there will be the utmost furtherance of opportunities and contentment, that no other thing could supplement. Then, and only then, will come over the world that peace that nineteen centuries ago was vouchsafed by heavenly voices at the manger of Bethlehem.

Gentlemen, in closing my short remarks, I express my most cordial wishes and hope for the congenial development and welfare of this live institution and for the progress and development of this attractive and interesting city; and allow me to thank you for the cordiality and goodwill with which you have been kind enough to receive me.

(The Minister from Bolivia was heartily applauded by his hearers who rose to express their appreciation).

THE PRESIDENT: The orchestra will now play the National Anthem of Peru. (This was played).

THE PRESIDENT: From another land of most wonderful resources and achievements comes another messenger of good will and mutual interests. I have the honor to present Mr. Federico Alfonso Pezet, Minister of Peru. (Mr. Pezet was greeted with cheers, the audience rising).

## *Address of Mr. Federico Alfonso Pezet*

### *Compliments*

MR. PEZET: Mr. President of the Rochester Chamber of Commerce, Your Excellency Mr. Mayor, fellow guests, gentlemen—and ladies—of Rochester (Applause), before entering upon the few remarks that I have to say on this occasion, I wish to state that I heard today that your city is named “the City of Flowers.” And so it is because I see in the gallery some of the flowers of Rochester. (Applause). Perhaps due to the fact that we are towards the end of the year makes it so that few flowers are visible, but to those that are here, and to those other flowers of American beauty which are the perfume, the glory and the life of the American home, I raise my glass. (The audience applauded, rising).

Gentlemen, after the eloquence of my dear friend and colleague, His Excellency, the Minister of Bolivia, I am afraid that I cannot interest you as he has done. He has spoken and given a lofty message which comes from our people to you, the people of this great country. He has told you in a silvery tongue, although he said that Bolivia no longer produced silver, but he spoke in language that was silvery. (Applause). And he spoke from his heart like every Latin-American speaks when he addresses his brothers of the North, and he told you in language that I cannot attempt to emulate many of the things which I had wished to have said on this occasion. I bow to my senior, and I thank him for having thus allowed me to enter upon other topics.

Coming in the train, I prepared a few remarks, which I scribbled on little bits of paper, but when I reached this banquet hall, certain things struck me, and I said to myself, “I shall have to sidetrack and mention a few of the things which have appealed to me.”

The first was on hearing the band strike up “Tammany,” and hearing it sung as “Rochester,” I said to myself, “Here is Rochester appropriating ‘Tammany.’” (Laughter). And then I thought of my host, the Honorable Thomas B. Dunn, returned Congressman from Rochester, and a Republican; and I thought, “*Now that’s funny.*” (Applause).

Then somebody told me that the Peruvian National Hymn was going to be played, that the words had been printed here, (showing the program) and that the Peruvian Minister was going to sing. Well, that is a disappointment, I have never sung in my life, not even my National Hymn, because I have too much respect for my



National Hymn and also for my hearers. There are some folks that believe that they can sing; this folk does not but that folk does (pointing to Mr. Louis S. Foulkes). Now the words of that hymn, which are printed here, I have attempted to translate—of course, not in verse, you understand. These are the words:

"For many years the oppressed Peruvian dragged on the ominous chain, condemned to cruel servitude, for years in silence he bent, but when once the sacred shout of liberty struck his shore, throwing off the slave's demeanor, he lifted his brow once more. We are free, let us ever be so. 'Twere better than the Sun's rays should fail us than we should forget the sacred vow that to the Almighty our Fatherland made."

Now, gentlemen, I want to thank you for bringing me to Rochester, taking me away from semi-tropical Washington, with its pink teas, turkey trots, (I heard it), bear hugs, and other such novelties, and allowing me the privilege of being in such distinguished company of men who are doing things, who are building this wonderful country, and showing us of the Southern Republics how we, when the time comes, should act in order to attain the greatness which you have attained.

To come here on a train of the Pennsylvania Railroad is no longer a discomfort; it is a pleasure. You have wonderful steel cars, and today there is something which is comforting to the man who has to travel over night, and that is, that the railroads no longer are advertising record breaking speed. Now they say, "We don't go fast, but we go safe;" and that is so much more cheerful. (Laughter; Applause). And this brings me to think that I have heard that the main cause of railway accidents is brought about by what is commonly called "split rail." Now, I do not know the first letter about engineering or anything like that, but I understand that split rail is a very dangerous thing, and that there should be a remedy for it.

I was talking about this the other day, and I learned that in Pittsburg, that great city where everything wonderful is produced (laughter), a product that comes from my country is being used to a very great extent in the steel industry, which if applied to rails as it has been to parts of machinery, and steel implements, will make the rails stronger and consequently safer. I refer to vanadium. In Pittsburg is the home of the American Vanadium Company. They have built a wonderful plant out at Bridgeville, where they are producing vanadium

*The  
Peruvian  
Hymn*

*Vanadium*

steel which is giving great satisfaction in the steel business. Now the vanadium that existed in the world until a few years ago was an inappreciable quantity—a little from England, some was found in certain iron ores in this country, and a little in Spain—I believe this was the case until 1905, when in that far-off country which has already produced wonderful things, (I am referring, of course, modestly, to my own country, Peru) vanadium ores were found in such quantities as to attract the attention of the American Vanadium people, who in conjunction with Peruvian geologists and engineers and miners, surveyed those lands and found that they had wonderful deposits. In 1909 about 1,700 tons of vanadium were shipped from Peru; in 1910 about 3,000 tons; in 1911 nearly 4,000 tons. Perhaps the gentleman here, who belongs to the steel industry, might say what 4,000 tons of vanadium ores represent. I know it is a very large item because the vanadic acid which is obtained from these ores is a very expensive article in the trade.

So you see, gentlemen, that in our part of the world we do produce new materials and new substances which, coming into this country and being properly handled and developed, are making for increased efficiency in industry and causing a better knowledge of one country in the other. I believe that in time we will be producing our own steel in Peru because there are very many other vanadium deposits which I understand, have been discovered. We have also large quantities of iron ores, and as we have coal of every possible kind—bituminous, anthracite, lignite and peat fuel—we will undoubtedly, after the opening of the Panama Canal, develop into an industrial country. And then some of the gentlemen of this country will perhaps think it worth while to go out to Peru and establish plants, beginning on a small scale, and eventually on a large scale, and so develop the big industrial industries in South America.

Gentlemen, that the United States has become a great commercial nation is due in a great measure to a certain class of men who are very often not properly understood or appreciated. I refer to the consular force of the United States. It has been my privilege in the many years that I have served my country, now thirty years both in a consular and in a diplomatic capacity, to meet many Americans holding consular positions under their government; and the way in which they have helped to develop the business of their home industries has been really wonderful.

But these men have very often been greatly handicapped by the men that have been sent out by the business men of this country into the far-off fields. You have not always sent the proper kind of men. The consuls have tried to help trade; the manufacturer has wanted trade; the commercial traveler or drummer has tried to secure trade, but unfortunately the methods employed have been against him. In the first instance, the American traveler invariably speaks English, and he wants the Latin-American to speak English. The American commercial traveler does not want to learn Spanish. He thinks that with English he has sufficient knowledge of everything; and he goes his way, rubbing us the wrong way, and consequently does not get the business. I am going to illustrate my point in this way:

Some years ago, I was traveling to South America after several years of being away from home. On board the steamer on the South Pacific, I met a gentleman. After several days spent on board, and once the ice had been broken, we got into conversation and when he found that I was a Peruvian, and that I had been in the consular and diplomatic service of my country, he began to ask me questions about Peru. I realized the man did not know anything about Peru. He had even a very hazy idea of whereabouts Peru was. I told him that we were on the South Pacific, and that in a few days we would reach Callao. He said he was traveling for several concerns, and he was going to open up the country. I said, "What are you going to do?" He said, "I am going to sell anything, a pair of boots, a cork screw, a railroad locomotive, a derrick, anything." I said, "Did you bring your samples with you?" (Laughter). He said, no, he didn't bring the samples of all these articles; but he did tell me that he had some samples. He said, "I have some chewing-gum." (Laughter). I said, "Well, my friend, you are wrong, we don't chew in Peru." But he said, "Well, we chew in the States, why don't you chew?" "Well," I said, "I am sure I don't know. That is something that has never occurred to me. Why don't we chew? Here am I, an able-bodied man, why don't I chew?" I came to the conclusion I did not know why I did not chew. But I supposed that perhaps, properly educated, in time my countrymen might chew, if he was willing to introduce his chewing-gum.

*Methods of  
Selling  
Employed  
by  
American  
Manu-  
facturers*

*A Sample*

Shoes

"What else have you got?" I said. "I have shoes." I said, "All right, I will give you one or two letters to business men in Peru who may be interested in American shoes." I gave him my card and introduced him to one or two merchants in Lima. After a few days I met my man and asked him how he was getting on. He said, "Chewing-gum is no good, you were right." But he said, "The boots I think I am going to place." I said, "Have you seen any people?" He answered, "I am going to show my samples." I waited three or four days more. When I saw him, he told me he had shown the shoes and they did not seem to take. I asked him to show me the line of goods. What did I see, gentlemen? Before I proceed, I am going to tell you that of all people in the world that pride themselves upon the beauty of their feet, it is my countrymen. They are supposed to have a tiny foot, men and women, with high insteps. Here my friend had brought them shoes with spikes, shoes with thick clumsy soles. They were awful. Well, they appeared to me as a lot which he had gotten from some store that had had an off season, and he thought, "Well, I will go down to South America and pawn them off on those people." I said, "That is no good, you will never sell a pair of shoes of this description. You go and take an order of shoes such as you will see in any shop in Lima, and if you want to sell a shoe made in America, say you can make a shoe on a similar last at so much." He got an order and moved on. It was a Viennese or Parisian shoe. The manufacturer here in America, when he got the order said, "What is this, we don't make such shoes," and he just "chucked" it. And instead he filled the order with a lot of shoes made up on lasts which he had in his factory. When the goods arrived they were refused because they did not correspond to the order given.

So the possibility of establishing a business in the shoe line between this country and Peru was delayed through an ignorant drummer, and a still more ignorant manufacturer. Because ignorant in this sense, that he did not know what people in other countries wanted, and he thought that they *must* have what is used here. Without considering that our climates are different, and customs different, and that naturally we want what we are accustomed to have, and what we should have. Three or four years later this evil was remedied, and today you will be pleased to know that for one pair of European-made shoes, there are a hundred pairs of American-made boots and shoes sold in Peru. (Applause). They had to learn, on both sides.



I tell my friends in this country, "Why don't you follow and learn the German method?" They are the men that get the trade. Now I don't want to say anything that may hurt. It is not that I think that somebody is better than you in some things; it is because I am your friend, because I am a friend of the American people, and I wish to see your trade grow and expand in our countries, that I tell you things that have come under my personal observation. The German, he never goes out to Latin-America without having a knowledge of our language. He arrives and greets us with a broad smile. He speaks to us, maybe in broken Spanish to begin with, but he tries to speak to us in our native tongue, and we appreciate it; the same as you appreciate it when someone who is a foreigner addresses you in your own language. (Applause). Then he asks to see the kind of article that we are using. He does not make himself a superior being; he instantly becomes our equal; he comes down to us or up to us, as the case may be; but he comes to us, and he sees our clothes, our shirts, our boots, and our hats, and instantly he copies the article suitable to our business, our mode of living, and our fashions. And in this way he creates a bond between himself and his customers, and after a time orders begin to come his way, and more orders. That is the way that the German has not only invaded the Latin-American market for selling small things, but for getting concessions, for getting grants, for placing railroads, for building lines, for doing great things which you gentlemen can do as well as anybody else, and you have everything to help you to get the trade of those countries if you will only do yourselves justice, and be yourselves.

Here as I was hearing these songs tonight and the conviviality of my fellow friends singing them, I said, "There, they are Americans, buoyant, joyful, full of life, happy; and yet when they go out into the field to do business, they put on a stern, business-like face, and they say, 'You have got to take this. It is made in America. It is good for us, it is good for you.'" (Applause and laughter). Gentlemen, that does not go with a Latin-American. We are a funny lot of people. We have our defects and big ones; but we have certain good qualities, and they are very large. (Applause). It is not that we are sentimental, or that we are governed by sentiment. But, it is probably due to the fact that we were colonized and conquered, and dominated by Spain, that a certain

amount of chivalry, refinement, and I don't know how to express it, but that—you know what it is—that pervades us. It is in us, and we like to be rubbed the right way. (Laughter and applause). We are very quick in giving; we are very kind; we are willing to meet more than half way. We will go forward to meet our man, but then we crave for a smile, for a kind word, for something nice. We want culture. We want politeness. Now I know the American sense of humor, I know what it is, and probably many of you will say, "There is that Peruvian Minister; he wants us to go to his country and do the Alphonse and Gaston stunt. (Mr. Pezet illustrated his idea here, by bowing this way and that). Now, gentlemen, that is not it. We don't go to that extreme. We want just the middle course—the same as you do when you are driving a bargain at home with your other Americans. You know how to approach him; you know how he is going to receive you. Well, try the same thing with us. Approach us in the same way. Be nice to us. Be friendly to us. But don't try to thrust things down our throats, because they are made by you, you use them, you wear them, and you like them.

Well, gentlemen, I don't know that I have much more to say to you. I have told you how I think you might improve your business with us. Now let me just say a few words of thanks.

The trouble is that you Twentieth Century Americans are in too great a hurry. You want to get there all in a heap. You seem to forget that Rome was not built in a day, and it is always the same old story of learning to crawl before running.

When I told a friend that I was invited to a banquet here, he said to me, "Well, make your speech, and after the speech, give your statistics; they love them. In Rochester they just feed on figures. In all those great manufacturing centers they haven't time for anything else." Of course, I believe this is exaggeration, because I have noticed that you gentlemen of Rochester can talk of different subjects, and I have not yet seen any of you munching figures of any description. But, being always ready to take a cue, I shall follow my friend's advice, and without taking too much time, serve up one course of "your favorite dish."

Rochester is fond of looking at itself as a center of a circle, and I notice in one of your publications that if you make your radius long enough you can encompass the city of New York and other cities, so as to make them

appear as suburbs of Rochester; and you tell us that in this way you control so many thousands of miles of railroad transportation, of canals and waterways and rivers; that your population equals so many millions, and that by drawing a line from A to B, you can make Chicago feel small. Because of all this, you are the one and only logical point of distribution in the East. Of course, all this is given in the publication that I referred to with the necessary trimming of figures, which run up into the millions.

Now I come to my own statistics. In 1792 the first ship flying the flag of the thirteen original states entered the port of Callao in Peru. Last year, 1911, the whole number of ships flying the American flag reached fifty-four with a gross tonnage of 41,170 tons. You were the eighth nation among the nations that trade with us, as far as shipping is concerned. Of these fifty-four vessels that entered and cleared our principal port, there were only six steamers, and out of those six steamers, four were one and the same vessel, the cable and repair steamer which has to do a lot of work along the Coast. So really there were only two American steamers and these were tramp steamers, going into the port of Callao, which is the second largest port south of the Panama Canal. Against this, there were 373 Peruvian steamers and sailing vessels with a gross tonnage of 401 odd thousand tons; 535 British steamers and sailing vessels, with a gross tonnage of 1,389,000 tons; 226 Chilean with a tonnage of 382,487; 87 Norwegian with a gross tonnage of nearly 150,000; 189 German with a tonnage of 604 odd thousand; 23 Japanese with a tonnage of over 73,000; 20 French with a tonnage of over 52,000. All those countries were ahead of the United States in shipping and tonnage. All of those nations have lines of steamers plying on our coasts, carrying in their own bottoms the merchandise of other countries. I hope, and I am perfectly satisfied that this will happen when the Panama Canal is open, that we shall see this beautiful flag of yours flying along the South Pacific (applause), and occupying the proper place which it is destined to occupy in the trade of the American coast.

But, if your steamers do not carry your goods, I am pleased to note that your goods have been carried in other steamers to a very large amount in the last few years. If your bottoms do not carry your goods to us and bring our products to you, at least it is pleasing to know that the trade between us is getting into respectable figures—

*Statistics*

## *Mr. Pezet's Remarks*

### *Imports and Exports*

what, according to my friend's vocabulary, would represent something like the fish course. In 1900, we bought from you the value of \$2,200,000 in round numbers, and we sold to you to the value of \$3,000,000. In 1910, we bought from you to the amount of four million and a half, and sold to you \$10,000,000 worth. In 1911 and in the current year, we have improved on these figures, and when the Panama Canal is opened to the traffic of the world we hope to bring our trade with you to such a place as would represent on the bill of fare the piece de resistance (applause); that is to say, the roast, in culinary parlance, which is showing that our trade with you has grown from a titbit into a really good square meal.

Well, gentlemen, I have said probably all that I ought to say. I don't know that you want any more figures. If you do, here are some—in 1903, we produced 37,000 tons of petroleum; in 1911, 200,000 tons; in 1903, we produced 36,000 tons of coal for all our home consumption; in 1911, we produced 350,000 tons. In 1903, our copper exports were 9,400 tons; last year they reached 33,000 tons. Of this 98 per cent was pure copper.

### *Cotton*

Cotton, everybody knows, is one of Peru's great products. You are here in a great manufacturing center of cotton and woolen goods. The Peruvian cotton is used in a certain line of goods which is made with the long Peruvian staple. Peruvian cotton yields between 550 and 1,000 pounds per acre. In your Southern States it has never gotten beyond 380 and 390 at the utmost. We have over 200,000 acres of land under cultivation, all irrigated land, and when the new scheme of the present administration of Peru is carried out, by which the irrigation of our coast will be an accomplished fact, we shall have one of the largest areas of cotton growing outside of, perhaps, Egypt. It is a very encouraging industry, cotton growing in Peru. We have not as yet imported the boll weevil. It is an American product that we are leaving to you. We don't want that customer. There are a few pests, I believe, at home, but they do not do the harm that the boll weevil has done to the cotton plants of your country.

Mr. President, and gentlemen of Rochester, I want to thank you for your kindness and for the manner in which you have so attentively listened to my few remarks. I wish to thank Representative Dunn for his kind hospitality in receiving me in his home. It is so easy to go to a hotel and from a hotel to come to a public dinner



## *Mr. Pezet's Remarks*

and be the guest of so many gentlemen. But when we are received in an American home, where there is a lady who reigns supreme, and we feel that we are made for the time being one of the family,—I assure you, there is nothing that can touch so much the Latin-American as to be the recipient of such a kind welcome. (Applause). I have enjoyed my visit. I have enjoyed my three meals. I breakfasted as your guest, I lunched as your guest, I have dined as your guest. What more can I ambition. I have had everything. I have been shown the city. I have been taken around and have admired the beauty of Rochester, which the Mayor is trying to make even more beautiful; which the citizens are doing everything in their power to improve, and which everybody is doing their utmost to make not only a distributing center for material things, but the distributing center for many things that will never die in the memory of those that have received them.

(Applause, the audience rising).

THE PRESIDENT: I think you will all agree that the Minister from Peru is qualified for full membership in the Rochester Chamber of Commerce.

With ministers as our guests, the Dinner would hardly be complete if we did not have with us at least one apostle. The next speaker is known as the apostle of good humor. He is the surprise of the evening. I have the honor to present Mr. George A. Post of New York. (Applause, the audience rising).

## *Address of Mr. George A. Post*

MR. POST: Mr. President, honored guests of the Rochester Chamber of Commerce, ladies and gentlemen: This is the first time I ever got a rise out of a Chamber of Commerce. It is always a perilous adventure for a nervous and modest man to face an audience that has dined well and paid well for the dinner, to speak to them, because they have had a mighty good time up to that fatal moment and are equally willing to hang upon his impassioned utterances with delight or to hang him if he doesn't make good. It always strikes me as somewhat tragic that during all the gala time of the eating and the singing at our public dinners there is a lurking fear in the minds of the diners as to what kind of trouble is ahead of them when the vocal battery concealed behind the potted plants on the dais gets busy with them. (Applause).

If I had known when I was a little bare-footed boy that some night in the dim, distant future, I was to have the distinguished honor of standing before this brilliant assemblage, gathered under the auspices of the Rochester Chamber of Commerce, I should, in all probability, have led a different life. (Applause). You need not interfere with the orderly procedure of this dinner, by getting ready to pin upon your manly chests any medals of righteousness, because what I mean is, that in looking upon my holy past, I see that I might have had many a frolicsome time, and still be qualified to be here.

How little we know what some little inconsequential happening in a remote village in a county may result in as years go by. Ninety-two years ago last St. Patrick's Day, my father was born in Henrietta, Monroe County, New York. (Applause). See what has happened to Rochester as a result! I am here! I hate to think what father would think if he could see me at this moment. (Applause).

I am not always as you see me now. I am no professional wind-jammer. When this beauteous feast is over, when the glim has been doused upon this 25th Anniversary of your Chamber, back to the camphor-scented closet will go these habiliments of joy, with which my rotund form is now draped, and in their place, I will be garbed with the ordinary attire of a commercial traveler. Back to the pike I will hike, and instead of seeing me standing here holding you all spellbound with sonorous oratory, like as not I will be hammering at

*"Suds"*

Noonan's door trying to gain admission so as to convince him that he ought to buy a few of the high-grade articles which I have to sell at a very low price.

The distinguished Minister from Bolivia touched our national pride by telling us that we had once elected as President of the United States a rail splitter. We are always proud of that, but the history of the United States, Mr. Minister, did not stop being written when great and glorious Abraham Lincoln was elected President. We have been going some since, but you may not be acquainted with the details. You may not understand the situation, but, within the sound of my voice are those who will know and appreciate what I say when I tell you that at last that down-trodden craft—the railway supply men of America—is getting into society and it is becoming very common for us to be found in the company of foreign Ambassadors, Governors, Justices of the Court of Appeals, Congressmen-elect, and other civic ornaments that cost money. There is no telling but what some day in the future, foreign ministers to our country will be recounting with hectic cheeks how a railroad supply man had been elected President of the United States. When our country elects a Democratic President anything can happen. (Applause and laughter).

I have enjoyed myself very much since I arrived in Rochester, but I confess that I am a little jealous of the Peruvian Minister who owns up to having abstracted three meals out of you. I only got one. Maybe you don't realize who I am. I stand here as the substitute for the German Ambassador. (Very great applause and laughter—the audience rising). (The Peruvian Minister: *Hoch, der Mann!*) And in preparation for this great event, on my way up from New York I ate sauerkraut and pretzels for luncheon so as to get in the right atmosphere for this stunt. The Peruvian Minister says that you folks are fond of figures. What is the matter with this (pointing to himself)? But I want you to understand, (addressing the Peruvian Minister) that you are not the only man they have been handing figures to. For sometime I have been wondering why it was that I did not have more money, but this evening I found out. I was put into a limousine, escorted by two of Rochester's distinguished business gentlemen, and given the great honor of being taken out to Mr. Eastman's beautiful home to pay my respects to him. On the way down East Avenue, they kept pointing out this house, that house and the other house, in which they said lived men worth ten million,

*Preparation*

twenty million, forty million, sixty million and a hundred million, and I said to myself: "That is it! that is it! that is why I am broke. Rochester has got all the money." (Laughter and applause). And, as I looked over those wonderful paintings in Mr. Eastman's home, and then thought of how many films I had bought, I said to myself, "One of those paintings belongs to me." (Applause).

Now, you may think that I could talk like this for hours. You may think this is bubbling up in my mind and to my tongue as though it was what I did for a living all the while. But the fact of the matter is, gentlemen, I am pumping mighty hard trying to make myself agreeable and to earn the meal I have had. But, if I don't stop pretty soon, you will be sorry you sent that appealing telegram to me. I feel, however, that it would not be proper to leave such an assemblage of wonderfully brainy, energetic and successful men without giving to you a few thoughts that are uppermost in my mind, and which I hope may be considered by you as business men as not entirely out of place at a gathering like this.

I represent upon this occasion a great group of industries in this country engaged in the highly honorable and useful business of furnishing equipment to the railroads of the United States so that they can properly handle the business of this country. We sustain a very intimate relation to the railroads because they are absolutely dependent upon our creative brain and our output for their ability to serve you. We are also very dependent upon the railroads of this country, because when they cannot or do not buy of us, there is great suffering among the million and a half working men who look to us for work and wages. We also sustain a very intimate relation with the shippers and the travelers of this country, and it is to facilitate your business that we fashion conveyances and devices, and we are constant students of your needs. Our success depends entirely upon the prosperity of the people, the whole people, of the United States. It would be very difficult indeed to analyze and to define in what direction our closest relation lies whether it is with the railroads or with the general public, because we serve them both and they serve us.

The Railway Business Association, formed by this group of industries, has for its mission the conservation of railway credit in the United States, and we deem that this is a very important mission, and we feel that it is one worthy of the most conscientious and broad-minded consideration of all of the factors entering into the problem.



We have no quarrel whatever with the American people who have maintained so vigorously and triumphantly their right to regulate the railroads of our country, which operate under franchises absolutely indispensable to them. Most railroad managers admit that many enactments which they opposed have actually proven of great benefit, not only to the country but to the railroads as well.

Now, that the people, in the exercise of their omnipotent power, have taken over the regulation of the railroads and have wrought great changes over the old order of things, they have also assumed very grave responsibilities regarding the financial welfare of the railroads of this country. Having established commissions whereby it is absolutely impossible for the railroads to do any injustice to the public, the people now owe it to themselves that they shall not themselves do any injustice to the railroads which are absolutely indispensable to them. (Applause). In the consideration of the new responsibilities that they have assumed, it should be borne in mind by the people that if all legislation affecting railways shall have a tendency always to demand greater expenditures by the railroads; if there shall be a continuous and constant demand by the producers of traffic for more equipment and terminal facilities; if the people of this country are going to enthusiastically approve every demand made upon the railways for increased wages to their employees; if every tax assessor in the country is to become popular because he annually increases the tax appraisal on railroad property; if the efficiency of our public utilities commissions is to be measured by the yardstick of published tabulated statements showing that they nearly always decide against the railroads; if these public utilities commissioners are to quake with fear as to the consequences to their official tenure if they shall, under any circumstances, decide favorably to a railroad contention; if contemporaneously with such enlargement of the mandatory expenditures by the railways, the trend of regulation shall be remorselessly toward the reduction of railway revenues; then, indeed, will there be an ultimate situation which will so disastrously affect railway credit that railway development will, of necessity, wane to attenuation.

In any business, I care not whether it is private or railway, you cannot constantly curtail revenue and increase expenditure without sooner or later arriving at the point of financial starvation. (Applause).

*Grave  
Respons-  
ibilities*

How much shall the railways be allowed to earn? The people of the United States have taken this question unto themselves to decide through the agency of tribunals that they have created for that purpose. The future prosperity and growth of our country depends largely upon the wisdom of their decision. What brains, what study, what patience, what fair-mindedness must be brought to bear in shaping our public policy upon the conservation of the credit of our railways. How just the shippers must be; how fair the railroads must be; how wise the people's servants must be who are charged with the adjudication of the complexities of an issue wherein greed protrudes, passion befalls, territorial jealousies are aroused; ambitions clash and tremendous interests press for favor.

*Utilities  
Commissions*

All of our utilities commissions have been deluged with power and yet there are greater powers proposed to be given them. The multiplicity of things which come within the purview of their administrative program are staggering in their proportions. They are authorized and expected to do what constitutes a burden of responsibility which should give a man pause because he undertakes their performance. I say to you that when any man seeks to become a public utilities commissioner simply because it is a fat salaried office and he wants a job, it is a crime against the commerce of the United States. (Applause). If ever there were public servants who need the best possible help it is these same public service commissions. Neither the federal government nor the State government should hesitate to appropriate all the money necessary to give them all the high-class intellect needed to ponder over the thousands of questions propounded to them. Plenary power sought to be made effective through niggardly expenditure which will command only mediocre talent instead of the best obtainable will be a colossal blunder.

But the help these regulatory bodies stand in sorest need of is the help that can only come to them from an enlightened electorate which thinks deeply upon the transportation question and which, through study, will be able to understand what the commissions are doing, what they ought to do, and particularly, what they ought not to do.

What does all this lead up to? Is it a plea for an increase of freight rates? Our answer is that our Association makes no appeal except that the people shall take care that rates are what they ought to be to produce suf-

ficient revenue so that the present efficiency of our railroads shall not only be unimpaired but that they shall always be extending to meet the demands of traffic.

To our minds the ideal situation with regard to our railroads under the present scheme of regulation is that there shall be such confidence in those commissions by the people and that they shall have such a comprehensive knowledge of the situation regarding railroads that, if in the wisdom of the commission, they should come to believe that more money should be paid to railroads for the service performed by them, then those commissions, being so convinced, should not hesitate but should be encouraged to so declare by a reliance upon the popular acceptance of their declaration as being an act done, not as a favor to railroads, but as done in the public interest.

These are times, my friends, when everybody is thinking and talking more seriously than ever before about things that enter into our daily lives. With discussion comes enlightenment. There is a nation-wide awakening of the public conscience. We are bursting the bonds that have hitherto fettered our freedom of action. We feel the impulse of widening opportunity. The goal of true progressive thought is a realization of the brotherhood of men. Against the advancing column of better things, the wise business man and the wise transportation man will raise no repelling hand, but we must also enroll ourselves in the ranks of those who would march to the tune of progress. (Applause).

The very existence of the Railway Business Association, with its million and a half of artisans depending upon the success and prosperity of the railroads and of the public in general, and feeding six million mouths in our country—shows that we are natural born progressives. The necessities of our business require that our minds should always be focused upon the needs of the future. We cannot be laggards. In our association, formed in a time of dire industrial necessity, with six hundred thousand of our men out of employment, we sought to find out what the trouble was, and if possible to find the remedy. We have learned much, but there is yet much to learn. We have bridled our tongues. We have sought for a catholicity of view. In our associated efforts, we have learned how to compete honorably and with mutual respect. We have sought communion with those who have different views from ours and with great benefit. We have a greater regard for the railroad managers of this country than we ever had before, and we have a

## *Mr. Post's Remarks*

keener realization of their vicissitudes, their perplexities and their necessities. We have not kept aloof from those who criticise the railroads. We have gone to them, and we have found that many of their complaints had just grounds, and that they were mostly honest, and earnest, from their point of view. It has been our endeavor to bring these contending forces together and to stimulate their co-operation.

Gentlemen, I am here at this dinner of the Rochester Chamber of Commerce, coming upon a hasty emergent call, but I have come, no matter what the inconvenience to me, because I am always anxious to meet my fellow men face to face—high-minded men, progressive of mind—that I may make this appeal, that we shall stop maligning our railroads and begin to foster them and to see that they shall be the great engines of our civilization that they must be if we are to be the great country that we hope to be. (Applause). We have just emerged from an election in this country whereat a President, Governors and Legislators of many States, Congressmen, and other important officials have been chosen, and turbulent as the conflict was in many respects, we thank God there has not been raised a voice from any quarter charging that the result is attributable to the corrupt expenditure of money by railroads or corporations. This is a glorious achievement. It should be the fervent hope of every patriotic American that the time has come when, in the shaping of our public policy, there shall not be the slightest taint of corruption or any attempt to exercise domination by capitalistic combinations. Let us hope that America is to be in truth, the land of the free and the home of the brave—free in thought, free in action, free from warping, withering prejudices, and brave in the sense of being chivalrous, forgetting self in the presence of peril to others.

I thank you.

(Applause, audience rising).



## *Colonel Bope's Remarks*

THE PRESIDENT: No single industry has added more to the welfare, prosperity and advancement of American civilization than that greatest of American corporations, the United States Steel Corporation. One side of that corporation we have heard too little about—the welfare of its workers. The next Speaker will tell you something of that side of this greatest corporation the world has seen to date. I have the honor to present Colonel H. P. Bope, First Vice-President of the Carnegie Steel Company. (Applause, audience rising).

COLONEL BOPE: It seems to me very proper that as the last Speaker, I should present to you what I consider the greatest question that is before the world. It is greater than anything which my friend, Mr. Post, has stated. We are in an age of humanitarianism and it has taken a long time to reach it. Way back in the ages a question was asked which has resounded through the years of time and which has only been answered once. (That is the question, "Am I my brother's keeper?" Jesus said, "I gave my life for thee, what hast thou done for me?" It is in this spirit that the United States Steel Corporation has undertaken and is carrying on its great welfare work among its workmen).

### THE WELFARE WORK OF THE UNITED STATES STEEL CORPORATION

*U. S. Steel  
Corporation*

"It is unquestionably true that the spirit of the times is tending toward humanitarianism. A proper recognition of this fact in its relation to the human side of labor will eliminate economic waste and will conserve human energy." This is a broad statement made in a recent discussion before the American Academy of Political and Social Science, and its truth will not be questioned by those who have recently taken an interest in this view of the modern consideration of capital and labor, in their relations as employer and employee.

Before entering upon a statement of what has been done in these recent years toward the amelioration of the conditions under which labor is employed, in such industries as the one I represent, it seems to me a brief statement as to the tremendous growth of the steel business will not be uninteresting and will serve to show why, up until within a comparatively few years, it has not been possible to reach such methods and measures sooner, although the underlying thought has been in the minds of the manufacturers for years, as evidenced by the some-

*Early uses  
of Steel*

what crude yet helpful means employed to give, in many mills, the steel-worker some measure of assistance in sickness, and to his family some measure of relief at his death.

Out of these small beginnings have come the great pension fund and the other measures for the welfare of the employes of the United States Steel Corporation; as well as in other similar corporations. The steel industry of this country has differed somewhat in its growth from that of other great products in that its greatest demand has come in cycles. In the period from 1870 to 1880 its development was marked by the introduction of the steel rail. The discovery of the Bessemer process cheapened cost and increased production, so that railroads were enabled to relay their lines with a better and cheaper rail, and the demands for steel in this form became a permanent product of the steel business, and although Bessemer has been superseded by the Open Hearth process largely for rails, between extensions, additions and the use of heavier sections, we are now on a basis of consumption of 3,600,000 tons annually, which bids fair to increase.

From 1880 to 1890 there was the introduction of the skeleton structure caused by the designing of lighter and more graceful shapes in steel than were the old iron sections, with an equal or greater factor of safety, and by the development of the tin plate industry. You will remember, doubtless, the famous campaign of 1890 when it was claimed it was impossible to produce tin plate in this country; but substantial progress has already been made, and in 1911 this industry represented a production of 783,960 gross tons. The sneers and jeers of the politician in belittling a great interest are forgotten, as are the men who uttered them, but the industry is one of our greatest and most prosperous today.

In the period from 1890 to 1897, marked as it was by the great financial panic of 1893, the industry languished, but in 1897 came the steel car, the use of plates for large diameters of pipe and the beginnings of larger things on the Great Lakes whereby the shipbuilding industry was bettered and entered upon larger development. This constantly growing demand, arising out of the rapidly increasing population, the beginning of the scarcity of wood, the introduction of steel in many lines and for new uses, was if you please, an evolution beyond the power of anyone to foresee or control, so far as its

magnitude was concerned. Where we had been accustomed to deal in tons our multiple became thousands. The railroads, with increasing demands upon them, by reason of this development, went at once to heavier rails and to the steel car for greater carrying capacity, necessitating heavier bridges, greater terminal facilities, and in other ways such as steel splice bars, bolts, tie plates, etc., added to the demand.

Words almost fail to depict the wonderful growth of the steel industry in this period. It is not the purpose of this address to describe it more than is necessary to show that by reason of this great and sudden growth and the efforts to meet the demand, the problems of construction and production had to receive attention before those arising from the humanitarian consideration, though this was by no means lost sight of. But it was as if the genii of the bottle had been let loose, though instead of being an instrument of destruction to mankind he became a benevolent agent of civilization.

For a moment the manufacturers stood aghast at what they saw before them. Individual plants such as then existed, not even the great Carnegie Steel Company, were not equipped with the proper facilities for the handling of this great demand. New plants, larger and better equipped were needed. Greater capital, more efficient organization in both operating and selling, were called for. These could not be obtained by the individual plant, and so the process of combination was resorted to, to obtain the best of each in every line and out of the demand of the people themselves for a larger production of the article which has done more to advance civilization and progress than any other one inanimate thing, came the Steel Corporation. Regardless of what has been said by way of criticism of organization; methods, or treatment of its employes, I maintain, and the results will ultimately show that it was builded better even than its organizers knew, that it has exercised at all times a beneficent influence in the trade; it has been courteous and conciliatory to its competitors, considerate beyond measure of its customers, and is now engaging in the great work of promoting the welfare of its employees as no other organization has ever done before.

Not the least of the means employed by the Corporation to enlarge its business has been the treatment of the small consumer. Recognizing that in this wonderful age of progress and rapid growth a small purchaser may soon develop into a larger and therefore more profitable one, special attention has been given to the welfare of

*The  
Causes of  
Combination*

*Need of  
Welfare  
Work*

such buyers. Their interests have at all times been carefully considered, their rights have been conserved equally with those of their larger brothers, and equal attention has been paid to their needs and requirements. No paternalism, either in this relation or in that pertaining to the welfare of the employe, has been exercised by the Corporation, but rather a wholesome regard for the rights and privileges of the buyer and the individual.

Now the early years of the Corporation, under the stress of the tremendous demand upon its resources of production, were years of construction, consolidation and organization. None of these things are yet completed nor can they ever be apparently with the constantly growing demands of the country and the world for its many and varied products. Today the United States is producing at the rate of 30,000,000 tons annually, and in five years this enormous tonnage bids fair to reach 40,000,000. Under the conditions of manufacture with such pressing demands it is admitted that the strain on labor is great. A steel mill under the very best possible conditions is not a parlor nor are the men who work there parlor gentlemen. They are strong, sturdy, intelligent workmen, who are recognizing that which is being done for them and are accepting it in the same broad, generous spirit with which it is offered. They are giants in their toil, but the best of American citizens in their relation to home, the community and the State. That we shall ever produce ideal conditions is perhaps doubtful, but no more are those prevailing in the cab of the locomotive or the engine room of the great ship. Whose voice is raised in behalf of the firemen in the engine rooms of the great liners, and yet the steel worker's labor is easy compared to theirs. Our men know that the officials of the Corporation are thinking and planning in their interest and appreciate it. If there are any complaints, theirs is the voice to speak, not the muck-raker, and the would-be philanthropists, many of whom have never been inside of a steel mill.

So much then by way of introduction. Let us now turn to the measures either already adopted or under consideration, which the great Corporation has instituted or is about so to do, for the benefit of its people.

The Steel Corporation is spending each year for the betterment of its workmen not less than five million of dollars. It may challenge comparison in amount and method with any other corporation, in any other line of business.



## *Colonel Bope's Remarks*

I should like to go into detail with you as to how this vast sum is expended, but time will permit only the briefest statement, yet for any of you who may be interested in any particular item fuller details can be forwarded on application.

First in order of time comes the Employees' Stock Subscription Plan.

*Co-Operative  
Ownership*

The Corporation has made it possible for every employe to become an owner of its stock. Over 30,000 of the workmen are now so interested. It promotes thrift by saving in a small way what would otherwise be expended thoughtlessly and so lost. For five years a high return is made by the payment of a bonus and afterwards a large interest on such a small investment. They are induced to take a direct interest in the business, remembering their own is tied up with it, and they are further encouraged to remain with the Company, profiting by permanent employment, the Corporation benefiting by the maintenance of a faithful, skillful and efficient organization so produced.

### ACCIDENT RELIEF.

Even before there was any law in this country which required anything of the kind the Steel Corporation established a system of voluntary accident relief absolutely regardless of legal liability. Every man injured and the family of every man killed is taken care of without need of lawsuits or even of any claim against the constituent companies. To show how this plan is working, in the year 1911 we were sued in only 2-10 of 1 per cent of the cases. This provision costs the Corporation each year \$2,000,000.

*Workmen's  
Compensation*

The adoption of workmen's compensation laws, in place of the outworn system of liability based upon negligence, is one of the greatest advances in the welfare work of our generation.

### ACCIDENT PREVENTION

For over six years the Corporation has been developing a system of preventing accidents which it is confidently believed is not surpassed anywhere in the United States or abroad. This system comprehends all manner of safety devices and other material safeguards. Above all it is based upon the development of an earnest, constant and determined effort to prevent work accidents, from the President to the lowest workman. The watchword of this campaign among Superintendents, Foremen and Workmen, is "Safety First."

*"Safety  
First"*

## *Colonel Bope's Remarks*

In these six years the number of serious and fatal accidents among workmen employed by the Corporation has been reduced 43 per cent; and the means employed have cost to date about two and one half million of dollars. \$750,000 per year is now employed in the maintenance of these devices, and in the study of a larger prevention.

### **SURGICAL AND HOSPITAL ARRANGEMENTS.**

At all the mills, mines and plants of the Corporation provision is made for the best surgical and hospital treatment obtainable for employes injured at work. In the Mining Regions those arrangements include medical attention for the men and for their families as well. From time to time prominent physicians and surgeons not connected with the companies are employed to make inspection of hospitals and surgical arrangements with instructions to criticise with absolute freedom and to recommend any changes they may deem advisable.

### **PENSIONS.**

At the institution of the Corporation Mr. Andrew Carnegie donated \$4,000,000 as a pension fund for the employes of the old Carnegie Steel Company and its subsidiaries. The Corporation is now adding \$8,000,000 to this fund, which has been extended to all companies of the Corporation. The income of this fund is applied to the pension of superannuated employes who have remained twenty years in the service of the Corporation. The smallest pension given is \$12.00 per month and the largest \$100.00. The annual cost of provision for this permanent fund and the payment of pensions is upwards of \$700,000.

### **SANITATION AND GENERAL WELFARE**

It would be difficult to cover under this head all of the work which is being done in the direction of the general welfare of the employes of the Corporation. The same general system is applied as in the matter of the use of safety devices, and naturally it is necessary to obtain the interest and co-operation of the workmen themselves.

Although this work is only in process of organization and development its cost in the year 1911 amounted to \$1,250,000.

Among the objects is the sanitary disposal of sewage and fecal matter, provision for pure water in all plants and houses belonging to the companies, drainage

*Company  
Doctors  
and  
Surgeons*

*Old Age*

## *Colonel Bope's Remarks*

of stagnant water, prevention of flies, cutting weeds, collecting garbage, fencing and painting and enforcing cleanliness and order generally.

Food supplies, particularly milk and meat, are protected from contamination wherever the several companies have any responsibility for providing such supplies.

The installation of wash-rooms, shower baths, and lockers in the mills, and the institution of swimming pools have cost much money.

Some of the companies have provided playgrounds for the children in the crowded districts. Another has provided land, furnished seeds, and given prizes for the making of gardens by its workmen; while in general, all of the companies are donors to hospitals, churches, clubs, libraries and other organizations established by the communities in which there are plants, or by the workmen themselves.

The managers of plants are thoroughly interested in the development of this welfare system, and are giving much time, thought and attention to work which will benefit the community at large, and thereby the individual workman.

In addition some of the companies have established schools for the better instruction of their salesmen, in which the young men are given a thorough knowledge of the operations employed in the manufacture of steel from the selection of the ore to the processes of inspection and testing of the finished material. One company is now carrying this system of instruction into its plants, for the purpose of developing intelligent young men for Assistant Superintendents and Foremen. In most plants the rule heretofore has been if a young man sought employment to put him anywhere there was need, without regard to the fitness or taste of the employe for the particular work. Now he is watched, his particular bent is studied, and he is put to work where he can do the most good for his company under conditions which are congenial to the employe himself. In other words there is no longer an attempt to do the impossible in the fitting of square pegs into round holes.

### THE SIX-DAY WEEK.

One of the most difficult of all the methods employed to promote the welfare of the employes was the establishment of the six-day week. Around a blast furnace

*General  
Welfare*



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*Colonel Bope's Remarks*

where operation is continuous this was a specially hard matter. Yet the officials of the Corporation felt that once the great campaign was entered upon no half-measures should be employed and in the spirit of "Six days shalt thou labor and do all thou hast to do," this provision was extended to all plants alike. Except under conditions of extreme necessity as in breakdowns or absolutely needed repairs, each and every employe is required to rest one day in seven, and hours of labor are so arranged that this has become a perfectly practical measure although it entailed a large curtailment of production, and met with opposition from many of the men themselves who preferred to labor to obtain the additional compensation. But the rule was made to apply to all.

Naturally all those things have taken time, and will take more time. Criticism is welcomed so long as it is along the lines of progress, but criticism merely for the purpose of injury without help in constructive work benefits no one.

As has been shown the development of this great industry has been so rapid that little opportunity has been given, until within a comparatively few years, to look at this side of the work; but in the great upward movement of humanity, for better treatment, for better living, and for all the conditions which tend to a wider humanitarianism and broader civilization, and a greater degree of progress the Steel Corporation has not been and will not be found lacking in interest not in support of such movements to the extent of its ability, and much greater progress can be expected in the future under the wise and humane supervision of the men who control its destinies.

THE PRESIDENT: The hour is late. We are all glad that you have come here. We have enjoyed a treat from our guests, and we wish you all Good-night.